

Table 14. NonTraditional Estimate: Simulated Impact of Premium Support System on Premiums, Private Plans vs. FFS  
(Premiums as a percent of current law baseline)

	Premium Support System											
	Private Plans			FFS with BBA Extension			Weighted Average			Current Law Baseline		
	Trustees <u>Intermed.</u>	No <u>Slowdown</u>		Trustees <u>Intermed.</u>	No <u>Slowdown</u>		Trustees <u>Intermed.</u>	No <u>Slowdown</u>		Trustees <u>Intermed.</u>	No <u>Slowdown</u>	
2003	105%	12%	105%	106%	12%	106%	106%	12%	106%	100%	11%	100%
2004	101%		101%	103%		103%	102%		102%	100%		100%
2005	98%		98%	100%		100%	99%		99%	100%		100%
2006	95%		95%	98%		98%	97%		97%	100%		100%
2007	92%		92%	96%		96%	95%		95%	100%		100%
2008	90%		90%	94%		94%	93%		93%	100%		100%
2009	87%		87%	92%		92%	90%		90%	100%		100%
2010	85%		85%	90%		90%	88%		88%	100%		100%
2011	83%		83%	89%		89%	86%		86%	100%		100%
2012	81%		81%	88%		88%	85%		85%	100%		100%
2013	79%		79%	86%		86%	83%		83%	100%		100%
2014	77%		77%	85%		85%	82%		81%	100%		100%
2015	76%		76%	84%		84%	81%		80%	100%		100%
2016	75%		74%	84%		84%	80%		79%	100%		100%
2017	74%		73%	84%		84%	79%		79%	100%		100%
2018	74%		73%	84%		84%	79%		79%	100%		100%
2019	73%		72%	84%		84%	79%		79%	100%		100%
2020	73%		72%	84%		84%	79%		78%	100%		100%
2021	72%		71%	84%		84%	79%		78%	100%		100%
2022	72%		70%	84%		84%	78%		77%	100%		100%
2023	72%		69%	84%		84%	78%		77%	100%		100%
2024	71%		69%	84%		84%	78%		77%	100%		100%
2025	70%		67%	84%		84%	77%		76%	100%		100%
2026	69%		66%	84%		84%	77%		75%	100%		100%
2027	68%		65%	83%		83%	76%		74%	100%		100%
2028	68%		64%	83%		83%	76%		74%	100%		100%
2029	68%		64%	83%		83%	75%		74%	100%		100%
2030	67%	11%	63%	83%	13%	84%	75%	12%	73%	100%	14%	100%

Note: Assumes that the growth of fee-for-service plan's premium is slowed by HCFA's use of management tools, Congressional action, or both.  
The amount assumed is equal in magnitude to the estimated savings from extension of certain provisions of the Balanced Budget Act of 1997.

The percentages between the data columns represent the average enrollee premiums as a share of Medicare spending in the year shown.  
The premium support formulas are calibrated for post-home health transfer impact on premiums.  
Proper comparison baseline would have home health transfer completed at start.